

January 13, 2010

**ITEM NO. A1**

**RECOMMENDATION TO ADOPT THE CAPITAL FUND STIMULUS GRANT  
PROCUREMENT POLICY**

To the Honorable Board of Commissioners:

**RECOMMENDATION**

It is recommended that the Board of Commissioners (“Board”) adopt the attached Capital Funds Stimulus Grant Procurement Policy.

**FUNDING SUMMARY**

Not Applicable

**EXPLANATION**

In 2003 HUD determined that CHA’s Procurement Procedures Manual and Policy, as approved by the Board, was in compliance with the HUD Annual Contributions Contract (“ACC”), HUD Procurement Regulations as set forth in 24 CFR 85.36, HUD Handbook 7460.8 and modifications in accordance with the CHA/HUD MTW Agreement. Therefore, CHA was approved to self-certify that it was in compliance with Federal procurement regulations without having to obtain prior approval from HUD pursuant to 24 CFR 85.36(g)(3)(ii). An amendment to CHA’s Procurement Procedures Manual and Policy is necessary to comply with HUD Notice PIH 2009 – 12(HA) issued, which requires housing authorities to amend their procurement standards and polices to expedite and facilitate the use of Capital Stimulus Grant Funds. Further, the amendment is required to be labeled “Capital Funds Stimulus Grant Procurement Policy”.

The amendments to CHA’s Procurement Procedures Manual and Policy addresses the following requirements to comply with the American Recovery and Rehabilitation Act of 2009 (“ARRA”) and deletes certain sections of the CHA Procurement Procedures Manual and Policy that are inconsistent with 24 CFR 85.36:

1. “Buy American”. Section 1605 of ARRA requires that all projects using Capital Fund Stimulus Grant funds use only iron, steel and manufactured goods produced in the U.S. unless otherwise excepted by or pursuant to the Act.
2. State and local laws shall not apply to procurement of goods and services utilizing Capital Fund Stimulus Grant funds and housing authorities shall instead follow 24 CFR 85.36.
3. Housing authorities shall amend their procurement standards and policies, as necessary, in order to expedite and facilitate the use of Capital Fund Stimulus Grant funds and remove any procurement standards that are inconsistent with 24 CFR 85.36 or ARRA.

Based on the foregoing, it is recommended that the Capital Funds Stimulus Grant Procurement Policy be adopted.

**RESOLUTION NO. 2010 - CHA -3**

**WHEREAS**, The Board of Commissioners has reviewed the Board Letter dated January 13, 2010 entitled "RECOMMENDATION TO ADOPT THE CAPITAL FUND STIMULUS GRANT PROCUREMENT POLICY";

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT**, The Board of Commissioners approves the attached Capital Funds Stimulus Grant Procurement Policy.

